

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1049 - SB 1267

March 10, 2011

SUMMARY OF BILL: Increases the penalty, from a Class D to a Class C felony with a fine not to exceed \$40,000, for promotion of the manufacture of methamphetamine within 1,000 feet of a school zone. Increases the penalty, from a Class B to a Class A felony with a fine not to exceed \$100,000, for initiation of a process intended to result in the manufacture of methamphetamine within 1,000 feet of a school zone.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Not Significant

Increase State Expenditures - \$27,900/Incarceration*

Assumptions:

- According to the Department of Correction (DOC), there has been an average of 102 admissions in each of the past three years for promoting the manufacture of methamphetamine. DOC assumes one percent (1) of the total admissions occurred within 1,000 feet of a school zone.
- According to the U. S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. No additional incarceration cost as a result of population growth in the period. The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on one offender.
- According to DOC, the average operating cost per offender per day for calendar year 2011 is \$60.62. The average post-conviction time served for a Class C felony is 3.23 years (1,179.76 days) at a cost of \$71,517.05 (\$60.62 x 1,179.76 days) and the average post-conviction time served for a Class D felony is 1.97 years (719.54 days) at a cost of \$43,618.51 (\$60.62 x 719.54 days). The additional cost for increasing the average time served by 1.26 years is \$27,898.54 (\$71,517.05 - \$43,618.51).
- According to DOC, there have been zero admissions for initiating the process of manufacture of methamphetamine. No additional cost or increase in admissions for this offense resulting from the increase in penalty.
- According to the District Attorneys General Conference, the additional number of cases generated by the proposed bill will not significantly impact their caseloads. Any additional cost can be accommodated within existing resources without an increased appropriation or reduced reversion.

- Based on the Fiscal Review Committee's 2008 study of incarceration costs and fines, collection of fines for felony offenders is negligible. There will not be a significant increase in state revenue as a result of the increased penalty.

**Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/lsc